

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0770-09
Bill No.: Truly Agreed to and Finally Passed SS for SCS for HCS for HB 390
Subject: Boards, Commissions, Committees, Councils; Economic Development Dept.;
Health Care; Health Care Professionals; Hospitals; Licenses – Professional;
Medical Procedures and Personnel; Physicians
Type: Original
Date: May 22, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Board of Registration for Healing Arts Fund	\$0	\$19,839	(\$10,146)
Total Estimated Net Effect on Other State Funds	\$0	\$19,839	(\$10,146)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor, Missouri Senate, Office of the State Courts Administrator, Department of Revenue** and the **Office of the State Public Defender** assume the proposal would have no fiscal impact on their agencies.

Officials from the **State Treasurer's Office (STO)** note licensure fees will be deposited into the Healing Arts Fund which already exists in the Treasury. STO assumes the proposal would have no fiscal impact on their office.

Officials from the **Administrative Hearing Commission (AHC)** anticipate this proposal will not significantly alter its caseload. AHC notes if other similar proposals also pass, creating more cases or more complex cases, there could be a fiscal impact.

In response to similar proposals from the current session, officials from the **Department of Corrections (DOC)** stated they cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court. If additional persons are sentenced to the custody of the DOC due to the provisions of this proposal, the DOC will incur a corresponding increase in operational cost either through incarceration or through supervision provided by the Board of Probation and Parole. DOC assumed supervision through probation or incarceration would result in some additional costs to

ASSUMPTION (continued)

the department that could be absorbed.

In response to a previous version of this proposal, officials from the **Missouri State Highway Patrol** assumed the proposal would have no fiscal impact on their agencies.

In response to a previous version of this proposal, officials from the **Office of Prosecution Services** assumed costs related to the proposal can be absorbed.

Officials from the **Secretary of State's Office (SOS)** state this proposal provides for registration and licensing of anesthesiologist assistants by the Department of Economic Development. The Department of Economic Development is charged with creating rules to administer this registration and licensure, as well as establish fees. These rules would be published in both the *Missouri Register* and the *Code of State Regulations*. These rules could require as many as 16 pages in the *Code of State Regulations* and half again as many pages in the *Missouri Register* because cost statements, fiscal notes and the like are not repeated in the *Code*. SOS estimates the cost of a page in the *Missouri Register* and the *Code of State Regulations* to be \$23 and \$27, respectively. SOS estimates costs of \$984 for FY 2004. SOS states the impact of this proposal in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple proposals pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of the Attorney General (AGO)** assume the costs of any additional time representing the Board of Registration for Healing Arts could be absorbed within existing resources.

Officials from the **Department of Economic Development – Division of Professional Registration (DPR)** note as of September 2002, the Missouri Society of Anesthesiologists indicates there are 570 anesthesiologist assistants practicing on a national level. Based on this number, DPR estimates there is an average of 11 licensees per state. DPR assumes a fee of \$3,000 will be paid for all categories of licensure with biennial renewal. DPR estimates a 3% growth rate and assumes licensure begins in FY 2005, resulting in revenue to the Board of Registration for Healing Arts Fund of \$33,000 in FY 2005 and \$1,500 in FY 2006.

ASSUMPTION (continued)

DPR assumes all fees collected and all expenses would be deposited into and paid out of the Board of Registration for Healing Arts Fund.

DPR estimates a contract employee will be utilized by the Board of Registration for the Healing Arts to handle the licensing program for anesthesiologist assistants. This position will be responsible for processing applications for licensure, assisting with commission meetings, as well as responding to any inquiries relating to the licensure law or rules and regulations. It is estimated that this position will only be needed for the first year. After the initial rules and regulations are established and the first group of individuals are licensed it is assumed the current Board of Healing Arts staff will assume the responsibilities associated with this licensing group. In addition, it has been estimated that the commission will pay .50% of the current principal assistant's annual salary (\$62,196). This estimation is based on an existing licensing group within the division will a similar structure and low number of licensees.

DPR assumes the five (5) member board would meet four (4) times per year for two (2) days per meeting, in Jefferson City. DPR notes the Principal Assistant, Contract Employee and an Attorney General representative will also attend the meeting. DPR assumes there would be four (4) meetings in FY 2005 to promulgate rules and regulations. DPR estimates each board member will receive a \$70 per for each day conducting board business. DPR assumes per diem, mileage, lodging, and meal expenses (for five board members and three staff) to cost approximately \$8,600 the first year. DPR assumes each year thereafter, the Commission will meet once per year for one day and will conduct all other business via conference call. DPR estimates annual per diem and travel expense to be \$525 and \$682, respectively.

DPR assumes one (1) complaint would be received each year. DPR estimates 100% of these complaints (1) will require field investigations, each needing 30 hours of field work and one night's lodging. Travel expenses for the investigation are estimated at \$255 annually. DPR assumes complaints and investigations would not start until FY 2006.

DPR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO). DPR estimates 100% of investigations (1) would be forwarded to the AGO for further action. Assuming \$5,400 cost per case, DPR estimates \$5,400 annually beginning in FY 2006. DPR also estimates the AGO would provide approximately 60 hours of assistance with rules, opinions and meetings per year. Assuming an hourly rate of \$60.87, these costs are estimated at \$3,762 yearly beginning in FY 2005.

DPR assumes printing and postage costs will be incurred in the first year for statute and rule mailings and for startup printing of rules, applications, letterhead and envelopes. DPR estimates

ASSUMPTION (continued)

printing and postage costs at \$6.19 per licensee in the first year, for a total cost of 68. Subsequent years' printing and postage costs are expected to continue at this amount.

DPR assumes existing staff would design, program and implement a computer licensure program. However, if costs are higher than anticipated further monies will be required.

Oversight has done the following to calculate the fiscal impact:

- (1) Adjusted travel expense related to board meeting meal allowances by \$840 as a result of Office of Administration travel guidelines which do not allow meals for state employees when they are in their official domicile; and
- (2) Used DPR's estimates unless otherwise noted.

This proposal would increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
BOARD OF REGISTRATION FOR HEALING ARTS FUND			
<u>Income</u> – DPR			
Revenue from Licensure Fees	\$0	\$33,000	\$1,500
<u>Costs</u> – DPR			
Board Member Per Diem	\$0	(\$2,800)	(\$525)
Contract Employee	\$0	(\$975)	\$0
Personal Service (.50% of 1 FTE)	\$0	(\$327)	(\$335)
Fringe Benefits	\$0	(\$132)	(\$136)
Expenses	\$0	(\$5,165)	(\$1,046)
AGO	<u>\$0</u>	<u>(\$3,762)</u>	<u>(\$9,604)</u>
Total Costs – DPR	<u>\$0</u>	<u>(\$13,161)</u>	<u>(\$11,646)</u>
ESTIMATED NET EFFECT ON BOARD OF REGISTRATION FOR HEALING ARTS FUND	<u>\$0</u>	<u>\$19,839</u>	<u>(\$10,146)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Anesthesiologists who have assistants would be required to have the assistants licensed and certified.

DESCRIPTION

This proposal regulates the licensing and registration of anesthesiologist assistants. New definitions and authorities are provided relating to anesthesiologist assistants.

An anesthesiologist assistant can apply for a license by filling out the appropriate application forms and paying the required application fee as promulgated by the Department of Economic Development. Upon approval of the application, the State Board of Registration for the Healing Arts shall issue a license to be valid for two years. Provisions for temporary and inactive licenses are set forth.

Upon the payment of a fee and documentation of all locations of previous practice and licensure, the Board can issue a license to any licensed out-of-state applicant without examination or additional certification. The Board shall have the authority to negotiate reciprocal compacts with licensing boards of other states for the admission of licensed anesthesiologist assistants from Missouri to practice in other states.

The Board shall promulgate rules and regulations pertaining to application forms, certification, registration, and fees. The Board shall have the authority to issue subpoenas and establish guidelines for anesthesiologist assistants. The Board may refuse to issue, suspend, or renew a certificate of registration or license or may file a complaint for any of the outlined causes in this section. Administrative hearing procedures will apply. Upon a finding by the administrative hearing commission, the Board may censure, place on probation for up to ten years, suspend for up to seven years, or revoke a person's certificate of registration or license. Any person violating any of the provisions of Section 334.400 to Section 334.430 is guilty of a Class A misdemeanor.

Renewal provisions are outlined and delinquent fees shall be paid unless waived by the Board. In order for a certificate of registration to be renewed, the anesthesiologist assistant must meet the Board's minimum requirements for continuing education, which shall include but not be limited to, successful completion of the examination for continued demonstration of qualifications once every six years.

DESCRIPTION (continued)

All fees will be collected by the Division of Professional Registration and deposited in the Treasury to the credit of the Board of Registration for the Healing Arts Fund.

No person shall portray themselves to the public as a "licensed anesthesiologist assistant," unless they are licensed pursuant to 334.400 to 334.430. Any person found guilty of violating this section will be guilty of an infraction with a maximum fine of \$200.

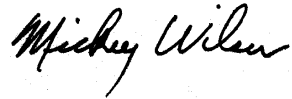
The Advisory Commission for Anesthesiologist Assistants is created and will guide, advise, and make recommendations to the Board. The Commission, comprised of 5 members, will take effect no later than July 1, 2005. The Commission shall be appointed by the Governor, with the advice and consent of the Senate. The Director of the Division of Professional Registration shall establish the compensation rate for Commission Members not to exceed \$70 per day for Commission business plus actual and necessary expenses. The Board shall provide all staff for the Commission.

No licensing activity or other statutory requirements shall become effective until expenditures or personnel are specifically appropriated for the purpose of conducting the business as required to administer the provisions of sections 334.400 to 334.430 and the initial rules filed have become effective.

This proposal is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development – Division of Professional Registration
Secretary of State's Office – Administrative Rules
Office of Administration – Administrative Hearing Commission
Department of Public Safety – Missouri State Highway Patrol
Office of Prosecution Services
Office of the State Public Defender
Office of the State Courts Administrator
Department of Revenue
State Treasurer's Office
Office of the Governor
Missouri Senate
Department of Corrections
Office of Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
May 22, 2003